

Introduced by Committee on Education (Senators Lowenthal (Chair), Alquist, Blakeslee, Hancock, Huff, Liu, Price, Runner, Simitian, and Vargas)

March 24, 2011

An act to amend Sections 52055.720, 52055.730, 52055.760, 52055.770, and 69984 of, to repeal Article 3.8 (commencing with Section 32239.5) of Chapter 2 of Part 19 of Division 1 of Title 1 of, to repeal Article 3.5 (commencing with Section 52360) of Chapter 9 of Part 28 of Division 4 of Title 2 of, and to repeal Chapter 8.6 (commencing with Section 52270) and Chapter 16 (commencing with Section 53050) of Part 28 of Division 4 of Title 2 of, the Education Code, relating to the Secretary for Education.

LEGISLATIVE COUNSEL'S DIGEST

SB 942, as introduced, Committee on Education. Secretary for Education.

(1) Existing law, the Machado School Violence Prevention and Response Act of 1999, establishes the School Violence Prevention and Response Task Force and makes the Secretary for Education, among others, an ex officio voting member. The task force is required to hold at least 2 public meetings, make recommendations on how to enhance state and local programs and training to adequately prepare school districts and county offices of education regarding disruptive and violent acts on or near school campuses, suggest methods for training school personnel regarding risk factors that lead to violence, and analyze and evaluate statutes and programs on school-based crisis prevention and response.

This bill would eliminate the task force.

(2) Existing law, the Quality Education Investment Act of 2006 (QEIA), requires the Superintendent of Public Instruction to identify and invite school districts and chartering authorities that have eligible schools to participate in the QEIA program and receive funds to improve academic instruction and pupil academic achievement by agreeing to comply with specified program requirements. Existing law gives the Secretary for Education various duties with respect to the program.

This bill would eliminate the secretary's duties with regard to the QEIA program.

(3) Existing law establishes the Education Technology Grant Program to provide one-time grants to school districts and charter schools for purposes of acquiring computers for instructional purposes at public schools and requires the Office of the Secretary for Education to administer the application process for the award of grants.

This bill would repeal the program.

(4) Existing law establishes the Industry-Based Certification Incentive Grant Program for the purpose of awarding grants to selected school districts, county offices of education, and regional occupational centers and programs to establish industry-based certification programs within their career technical programs. Existing law requires the State Department of Education, in consultation with the Secretary for Education, to administer the program.

This bill would repeal the program.

(5) Existing law establishes the Governor's Reading Award Program, a grant program for school districts that maintain kindergarten or any of grades 1 to 8, inclusive, and requires the Secretary for Education to administer the program on behalf of the Governor.

Existing law requires the Secretary for Education, subject to the availability of funding, to contract for the development and establishment of a public involvement campaign to inform Californians that promoting reading in the public schools as a key to success in life is the responsibility of all Californians.

This bill would repeal the Governor's Reading Award Program and the requirement that the secretary contract for the public involvement campaign.

(6) Existing law creates an instrumentality of the state that is known as the Golden State Scholarshare College Savings Trust and vests the purposes, powers, and duties of the Scholarshare trust in the Scholarshare Investment Board. Existing law makes the Secretary of Education a member of the board.

This bill would eliminate the secretary as a member of the board.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 3.8 (commencing with Section 32239.5)
2 of Chapter 2 of Part 19 of Division 1 of Title 1 of the Education
3 Code is repealed.

4 SEC. 2. Section 52055.720 of the Education Code is amended
5 to read:

6 52055.720. (a) For purposes of this article, the following
7 definitions apply:

8 (1) “Academic Performance Index” or “API” means the
9 Academic Performance Index established under Section 52052.

10 (2) “CBEDS” means the California Basic Educational Data
11 System.

12 (3) “Funded school” means a school that is within a school
13 district or chartering authority, receives funds allocated under this
14 article, and complies with all applicable interim programs and
15 alternative requirements described in this article.

16 (4) The “High Priority Schools Grant Program” or “HPSGP”
17 means the High Priority Schools Grant Program established under
18 Article 3.5 (commencing with Section 52055.600).

19 ~~(5) “Secretary” means the Secretary for Education.~~

20 ~~(6)~~

21 (5) “Superintendent” means the Superintendent of Public
22 Instruction.

23 (b) Public schools and charter schools that are ranked in either
24 decile 1 or 2 on the 2005 Academic Performance Index are eligible
25 to receive funds under this article.

26 (c) A school that is funded under the High Priority Schools
27 Grant Program, has not met the annual growth target requirements
28 under Section 52055.650, and is designated as a state sanctioned
29 school is eligible to be funded under this article if the school
30 undergoes a rigorous review directed by the Superintendent.

31 (d) A school that is funded under the High Priority Schools
32 Grant Program, and has met or is meeting the requirements of
33 Section 52055.650, is eligible to receive funding under this article

1 and the HPSGP if the school agrees to meet all accountability
2 requirements of both programs.

3 (e) A school that is funded under this article and continues to
4 meet the program and achievement requirements of this article
5 shall be funded annually through the 2013–14 fiscal year.

6 (f) The funds appropriated pursuant to this article may be
7 expended for any purpose identified under the schoolsite’s Single
8 Plan for Pupil Achievement established under Section 64001.

9 SEC. 3. Section 52055.730 of the Education Code is amended
10 to read:

11 52055.730. (a) The Superintendent shall identify and invite
12 school districts and chartering authorities that have eligible schools
13 to participate in the program established under this article.

14 (b) The Superintendent shall notify school districts and
15 chartering authorities at the earliest possible date of all of the
16 following:

17 (1) Schoolsites in the district or of a chartering authority that
18 are eligible to receive funding pursuant to this article.

19 (2) The program and accountability requirements for schools
20 that receive funding pursuant to this article.

21 (3) The deadlines for the submission of documents necessary
22 to receive funding pursuant to this article.

23 (4) Any other information the Superintendent deems necessary
24 to implement this article.

25 (c) The Superintendent shall specify the manner in which school
26 districts and chartering authorities shall submit applications to
27 receive funding pursuant to this article. It is the intent of the
28 Legislature that this submission process be as simple as possible,
29 use easily available data, and include the requirements of this
30 article.

31 (d) On or before June 30, 2007, the Superintendent, in
32 consultation with interested parties, shall develop a uniform process
33 that can be used to calculate average experience for purposes of
34 reporting, analyzing, or evaluating the distribution of classroom
35 teaching experience in grades, schoolsites, or subjects across the
36 district. The uniform process shall include an index that uses the
37 2005–06 California Basic Educational Data System (CBEDS)
38 Professional Assignment Information Form (PAIF), including any
39 necessary corrections, as the base-reporting year to evaluate annual
40 improvements of the funded schools toward balancing the index

1 of teaching experience. The index shall be approved by the
2 Superintendent. The uniform process shall designate teaching
3 experience beyond 10 years as 10 years.

4 ~~(e) The Superintendent shall make applications submitted~~
5 ~~pursuant to subdivision (c) available for review by the secretary.~~
6 ~~The Superintendent and the secretary shall review the applications~~
7 ~~and select the schools for recommendation to the state board within~~
8 ~~30 days after the date the application is submitted to the~~
9 ~~Superintendent.~~

10 (f) After reviewing applications submitted pursuant to
11 subdivision (c), the Superintendent ~~and the secretary, jointly,~~ shall
12 submit ~~their~~ *the* recommendations for schools to be funded to the
13 state board for approval. The recommendations shall ensure a wide
14 geographic distribution of funded schools across urban, rural, and
15 suburban areas of the state. Schools selected should also represent
16 a diverse distribution of grade levels. ~~If the Superintendent and~~
17 ~~the secretary cannot complete the review and recommendation~~
18 ~~process in the time provided, the Superintendent shall submit~~
19 ~~recommendations to the board.~~

20 (g) To the maximum extent possible the Superintendent, ~~the~~
21 ~~secretary,~~ and the state board shall recommend and approve
22 sufficient schools to use all available funds. A school selected in
23 the first year shall continue in the program unless it is terminated
24 pursuant to subdivision (c) of Section 52055.740, it declines to
25 participate, or there is evidence of fraud or fiscal irregularities.

26 (h) In approving the recommendations for funding from the
27 Superintendent ~~and the secretary,~~ the state board ~~shall~~ also *shall*
28 verify that the funded schools represent the required balance,
29 geographic distribution, and diverse distribution of grade levels.

30 (i) The Superintendent shall perform the duties of a county
31 superintendent of schools pursuant to this article for funded schools
32 in those counties in which a single school district operates. The
33 Superintendent may delegate this responsibility to a county
34 superintendent of schools in the region in which the single district
35 county is located.

36 (j) ~~The Superintendent and the secretary~~ may select not more
37 than two county offices of education to provide regional technical
38 support, document best practices, and provide information
39 regarding those practices and other support information to schools,
40 school districts, and chartering authorities. It is the intent of the

1 Legislature that these activities be merged to the maximum extent
2 feasible with other state and federally funded activities with similar
3 requirements.

4 SEC. 4. Section 52055.760 of the Education Code is amended
5 to read:

6 52055.760. (a) A school district or chartering authority may
7 apply for authority from the Superintendent to use alternative
8 program requirements if the district or authority demonstrates that
9 compliance with alternative program requirements would provide
10 a higher level of academic achievement among pupils than
11 compliance with the interim and program requirements of this
12 article.

13 (b) Alternative program requirements may be used to serve no
14 more than 15 percent of the pupils funded pursuant to this article.
15 Alternative programs shall serve the entire school.

16 (c) A school district or chartering authority may use alternative
17 program requirements at a funded school if all the following criteria
18 are satisfied:

19 (1) The proposed alternative requirements are based on reliable
20 data and are consistent with sound scientifically based research
21 consistent with subdivision (j) of Section 44757.5 on effective
22 practices.

23 (2) The costs of complying with the proposed alternative
24 requirements do not exceed the amount of funding received by the
25 school district or chartering authority pursuant to this article.

26 (3) Funded schools agree to comply with the alternative program
27 requirements and be subject to the termination procedures specified
28 in subdivision (c) of Section 52055.740. Funded schools with
29 alternative programs shall also be required to exceed the API
30 growth target for the school averaged over the first three fully
31 funded years and annually thereafter.

32 (4) The Superintendent ~~and the secretary have jointly~~ *has*
33 reviewed the proposed alternative funded schools of the school
34 district or chartering authority for purposes of this section and have
35 recommended to the state board for its approval those schools,
36 using the same process as for the regular program
37 recommendations.

38 (d) The Superintendent shall give priority for approval of schools
39 with alternative programs to any school serving any of grades 9
40 to 12, inclusive, that has demonstrated to the satisfaction of the

1 Superintendent ~~and the secretary~~ that the school cannot decrease
2 class sizes as required under this article due to extraordinary issues
3 relating to facilities, or due to the adverse impact of the
4 requirements of this program, if implemented in the school, on the
5 eligibility of the school district for state school facility funding.

6 SEC. 5. Section 52055.770 of the Education Code is amended
7 to read:

8 52055.770. (a) School districts and chartering authorities shall
9 receive funding at the following rate, on behalf of funded schools:

10 (1) For kindergarten and grades 1 to 3, inclusive, five hundred
11 dollars (\$500) per enrolled pupil in funded schools.

12 (2) For grades 4 to 8, inclusive, nine hundred dollars (\$900) per
13 enrolled pupil in funded schools.

14 (3) For grades 9 to 12, inclusive, one thousand dollars (\$1,000)
15 per enrolled pupil in funded schools.

16 (b) For purposes of subdivision (a), enrollment of a pupil in a
17 funded school in the prior fiscal year shall be based on data from
18 the CBEDS. For the 2007–08 fiscal year, the funded rates shall be
19 reduced to reflect the percentage difference in the total amounts
20 appropriated for purposes of this section in that year compared to
21 the amounts appropriated for purposes of this section in the
22 2008–09 fiscal year.

23 (c) The following amounts are hereby appropriated from the
24 General Fund for the purposes set forth in subdivision (f):

25 (1) For the 2007–08 fiscal year, three hundred million dollars
26 (\$300,000,000), to be allocated as follows:

27 (A) Thirty-two million dollars (\$32,000,000) for transfer by the
28 Controller to Section B of the State School Fund for allocation by
29 the Chancellor of the California Community Colleges to
30 community colleges for the purpose of providing funding to the
31 community colleges to improve and expand career technical
32 education in public secondary education and lower division public
33 higher education pursuant to Section 88532, including the hiring
34 of additional faculty to expand the number of career technical
35 education programs and course offerings.

36 (B) Two hundred sixty-eight million dollars (\$268,000,000) for
37 transfer by the Controller to Section A of the State School Fund
38 for allocation by the Superintendent pursuant to this article.

(2) For each of the 2008–09, and 2011–12 to 2014–15 fiscal years, inclusive, four hundred fifty million dollars (\$450,000,000) per fiscal year, to be allocated as follows:

(A) Forty-eight million dollars (\$48,000,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community colleges as required under subdivision (e).

(B) Four hundred two million dollars (\$402,000,000) for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent pursuant to this article.

(3) For the 2009–10 fiscal year, thirty million dollars (\$30,000,000), to be allocated for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community colleges as required under subdivision (e).

(4) For the 2010–11 fiscal year, four hundred twenty million dollars (\$420,000,000), to be allocated as follows:

(A) Eighteen million dollars (\$18,000,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community colleges as required under subdivision (e).

(B) Four hundred two million dollars (\$402,000,000) for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent pursuant to this article.

(C) Commencing with the 2010–11 fiscal year, payments made pursuant to subparagraphs (A) and (B) shall be made only on or after October 8 of each fiscal year.

(d) For the 2013–14 fiscal year the amounts appropriated under subdivision (c) shall be adjusted to reflect the total fiscal settlement agreed to by the parties in California Teachers Association, et al. v. Arnold Schwarzenegger (Case Number 05CS01165 of the Superior Court for the County of Sacramento) and the sum of all fiscal years of funding provided to fund this article shall not exceed the total funds agreed to by those parties. This annual appropriation shall continue to be made until the Director of Finance reports to the Legislature, along with all proposed adjustments to the Governor’s Budget pursuant to Section 13308 of the Government Code, that the sum of appropriations made and allocated pursuant to subdivision (c) equals the total outstanding balance of the minimum state educational funding obligation to school districts

1 and community college districts required by Section 8 of Article
2 XVI of the California Constitution and Chapter 213 of the Statutes
3 of 2004 for the 2004–05 and 2005–06 fiscal years, as determined
4 in subdivision (a) or (b) of Section 41207.1.

5 (e) The sum transferred under subparagraph (A) of paragraph
6 (2) of subdivision (c) for the 2008–09 fiscal year shall be allocated
7 by the Chancellor of the California Community Colleges as
8 follows:

9 (1) Thirty-eight million dollars (\$38,000,000) to the community
10 colleges for the purpose of providing funding to the community
11 colleges to improve and expand career technical education in public
12 secondary education and lower division public higher education
13 pursuant to Section 88532, including the hiring of additional faculty
14 to expand the number of career technical education programs and
15 course offerings.

16 (2) Ten million dollars (\$10,000,000) to the community colleges
17 for the purpose of providing one-time block grants to community
18 college districts to be used for one-time items of expenditure,
19 including, but not limited to, the following purposes:

20 (A) Physical plant, scheduled maintenance, deferred
21 maintenance, and special repairs.

22 (B) Instructional materials and support.

23 (C) Instructional equipment, including equipment related to
24 ~~career-technical~~ *career technical* education, with priority for
25 nursing program equipment.

26 (D) Library materials.

27 (E) Technology infrastructure.

28 (F) Hazardous substances abatement, cleanup, and repair.

29 (G) Architectural barrier removal.

30 (H) State-mandated local programs.

31 (3) The Chancellor of the California Community Colleges shall
32 allocate the amount allocated pursuant to paragraph (2) to
33 community college districts on an equal amount per actual
34 full-time-equivalent student (FTES) reported for the prior fiscal
35 year, except that each community college district shall be allocated
36 an amount not less than fifty thousand dollars (\$50,000), and the
37 equal amount per unit of FTES shall be computed accordingly.

38 (4) Funds allocated under paragraph (2) shall supplement and
39 not supplant existing expenditures and may not be counted as the
40 district contribution for physical plant projects and instructional

1 material purchases funded in Item 6870-101-0001 of Section 2.00
2 of the annual Budget Act.

3 (f) For each fiscal year, commencing with the 2011–12 fiscal
4 year, to the 2014–15 fiscal year, inclusive, the sum transferred
5 pursuant to subparagraph (A) of paragraph (2) of subdivision (c)
6 shall be allocated by the Chancellor of the California Community
7 Colleges as follows: Forty-eight million dollars (\$48,000,000) to
8 the community colleges for the purpose of providing funding to
9 the community colleges to improve and expand career technical
10 education in public secondary education and lower division public
11 higher education pursuant to Section 88532, including the hiring
12 of additional faculty to expand the number of career technical
13 education programs and course offerings.

14 (g) The appropriations made under subdivision (c) are for the
15 purpose of discharging in full the minimum state educational
16 funding obligation to school districts and community college
17 districts pursuant to Section 8 of Article XVI of the California
18 Constitution and Chapter 213 of the Statutes of 2004 for the
19 2004–05 fiscal year, and the outstanding maintenance factor for
20 the 2005–06 fiscal year resulting from this additional payment of
21 the Chapter 213 amount for the 2004–05 fiscal year.

22 (h) For the purposes of making the computations required by
23 Section 8 of Article XVI of the California Constitution, including
24 computation of the state’s minimum funding obligation to school
25 districts and community college districts in subsequent fiscal years,
26 the first one billion six hundred twenty million nine hundred
27 twenty-eight thousand dollars (\$1,620,928,000) in appropriations
28 made pursuant to subdivision (c) shall be deemed to be “General
29 Fund revenues appropriated for school districts,” as defined in
30 subdivision (c) of Section 41202 and “General Fund Revenues
31 appropriated for community college districts,” as defined in
32 subdivision (d) of Section 41202, for the 2004–05 fiscal year and
33 included within the “total allocations to school districts and
34 community college districts from General Fund proceeds of taxes
35 appropriated pursuant to Article XIII B,” as defined in subdivision
36 (e) of Section 41202, for that fiscal year. The remaining
37 appropriations made pursuant to subdivision (c) shall be deemed
38 to be “General Fund revenues appropriated for school districts,”
39 as defined in subdivision (c) of Section 41202 and “General Fund
40 revenues appropriated for community college districts,” as defined

1 in subdivision (d) of Section 41202, for the 2005–06 fiscal year
2 and included within the “total allocations to school districts and
3 community college districts from General Fund proceeds of taxes
4 appropriated pursuant to Article XIII B,” as defined in subdivision
5 (e) of Section 41202, for that fiscal year.

6 (i) From funds appropriated under subdivision (c), the
7 Superintendent shall provide both of the following:

8 (1) Not more than two million dollars (\$2,000,000) annually to
9 county superintendents of schools to carry out the requirements
10 of this article, allocated in a manner similar to that created to carry
11 out the new duties of those superintendents under the settlement
12 agreement in the case of Williams v. California (Super. Ct. San
13 Francisco, No. CGC-00-312236).

14 (2) Five million dollars (\$5,000,000) in the 2007–08 fiscal year
15 to support regional assistance under Section 52055.730. It is the
16 intent of the Legislature that the Superintendent ~~and the secretary~~,
17 along with county offices of education, seek foundational and other
18 financial support to sustain and expand these services. Funds
19 provided under this paragraph that are not expended in the 2007–08
20 fiscal year shall be reappropriated for use in subsequent fiscal years
21 for the same purpose.

22 (j) Notwithstanding any other provision of law, funds
23 appropriated under subdivision (c) but not allocated to schools
24 with kindergarten or grades 1 to 12, inclusive, in a fiscal year, due
25 to program termination in any year or otherwise, shall be available
26 for reappropriation only in furtherance of the purposes of this
27 article. First priority for those amounts shall be to provide
28 cost-of-living increases and enrollment growth adjustments to
29 funded schools.

30 (k) The sum of three hundred fifty thousand dollars (\$350,000)
31 is hereby appropriated from the General Fund to the State
32 Department of Education to fund 3.0 positions to implement this
33 article. Funding provided under this subdivision is not part of funds
34 provided pursuant to subdivision (c).

35 SEC. 6. Chapter 8.6 (commencing with Section 52270) of Part
36 28 of Division 4 of Title 2 of the Education Code is repealed.

37 SEC. 7. Article 3.5 (commencing with Section 52360) of
38 Chapter 9 of Part 28 of Division 4 of Title 2 of the Education Code
39 is repealed.

SEC. 8. Chapter 16 (commencing with Section 53050) of Part 28 of Division 4 of Title 2 of the Education Code is repealed.

SEC. 9. Section 69984 of the Education Code is amended to read:

69984. (a) (1) The board shall segregate moneys received by the Scholarshare trust into two funds, which shall be identified as the program fund and the administrative fund. Notwithstanding Section 13340 of the Government Code, the program fund is hereby continuously appropriated, without regard to fiscal years, to the board for the purposes of this article. Funds in the administrative fund shall be available for expenditure, upon appropriation, for the purposes specified in this article.

(2) (A) The board shall separately account for any moneys received by an entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code or a state or local government agency, depositing the money for the benefit of a beneficiary to be named later pursuant to the operation of a bona fide scholarship program.

(B) There is hereby created the Scholarshare Investment Board, that consists of the Treasurer, the Director of Finance, ~~the Secretary of Education~~, a member of the Student Aid Commission appointed by the Governor, a member of the public appointed by the Governor, a representative from a California public institution of higher education appointed by the Senate Committee on Rules, and a representative from a California independent college or university or a state-approved college, university, or vocational/technical school appointed by the Speaker of the Assembly. The Treasurer shall serve as chair of the board. The board shall annually prepare and adopt a written statement of investment policy. The board shall consider the statement of investment policy and any changes in the investment policy at a public hearing. The board shall approve the investment management entity or entities consistent with subparagraph (D).

(C) Not later than 30 days after the close of each month, the investment manager shall place on file for public inspection during business hours a report with respect to investment performance. The investment manager shall report the following information, to the extent applicable, to the board within 30 days following the end of each month:

1 (i) The type of investment, name of the issuer, date of maturity,
2 par and dollar amount invested in each security, investment, and
3 money within the program fund.

4 (ii) The weighted average maturity of the investments within
5 the program fund.

6 (iii) Any amounts in the program fund that are under the
7 management of an investment manager.

8 (iv) The market value as of the date of the report and the source
9 of this valuation for any security within the program fund.

10 (v) A description of the compliance with the statement of
11 investment policy.

12 (D) Moneys in the program fund may be invested or reinvested
13 by the Treasurer or may be invested in whole or in part under
14 contract with an investment manager, as determined by the board.

15 (b) Transfers may be made from the program fund to the
16 administrative fund for the purpose of paying operating costs
17 associated with administering the Scholarshare trust and as required
18 by this article. On an annual basis, expenditures from the
19 administrative fund shall not exceed more than 1 percent of the
20 total program fund. All costs of administration of the Scholarshare
21 trust shall be paid out of the administrative fund.

22 (c) All moneys paid by participants in connection with
23 participation agreements shall be deposited as received into the
24 program fund, and shall be promptly invested and accounted for
25 separately. Deposits and interest thereon accumulated on behalf
26 of participants in the program fund of the Scholarshare trust may
27 be used for payments to any institution of higher education.